



# Washington State Health Care Innovation A Five-Year Plan

*Transformation for a Healthier  
Washington*

June 27, 2013

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# Agenda



- Welcome & Introduction

*HCA Director Dorothy Teeter*

- Why plan for the future of Health Care?
- How feedback is influencing the plan

- State Health Care Innovation—A Five-Year Plan

*SHCIP Project Director Karen Merrikin*

- SHCIP goals and structure
- SHCIP's Multiple Streams
- Our Collective Opportunity

*Bob Crittenden, Governor's Senior Health Policy Advisor*

- Questions & Next Steps

# Welcome & Introduction



HCA Director Dorothy Teeter

- Recently served as senior advisor for Policy and Programs at CMMI
- Long-time health care leader in Washington State

## Why plan for the future of health care? →

Over the years, health care has evolved into a costly and inefficient non-system.

**Working together**, we have the opportunity to move in a common direction to significantly accelerate transformation and achieve a healthier Washington state.

## Why plan for the future of health care?

As is, public and private delivery and support services and payment methods have gaps or holes...



Planning can close the gaps and ensure better health and better care at lower cost for Washington residents of all ages.

# Current & Future Opportunities for Feedback

## ○ **Current:**

- Web pages sharing information and inviting comment. Visit the site at <http://www.hca.wa.gov/shcip/Pages/default.aspx>
- Feedback Network sending and receiving info. Email [simquestions@hca.wa.gov](mailto:simquestions@hca.wa.gov)
- Four webinars: Today, Aug. 8, Aug. 22, Oct. 15
- Work groups engaging key stakeholders for direct work on the plan

## ○ **Future:**

- Community visits being planned to gather feedback
- Opportunities for public comments at critical junctures announced via public sources

## General Stakeholder Input ... so far

- **AGREE** that current system not sustainable or desirable
- **FOCUS** on patient-centered /whole-person care
- **RECOGNIZE** social determinants and equity
- **ALIGN** SHCIP with current promising public-private state efforts
- **CONSIDER** the importance of health education and patient engagement
- **EMPHASIZE** aligned consumer-provider perspectives
- **EXPLORE** a whole-body approach

# State Health Care Innovation – A Five-Year Plan



SHCIP Project Director Karen Merrikin

- A long-time veteran of health policy around payment and care delivery
- Hired from the private sector to lead the state planning process



# What are “SIM” and “SHCIP”?

## SIM

The **State Innovation Models** initiative is a national effort and grant program of the Center for Medicare and Medicaid Innovation (CMMI) to identify and spread health practices that result in **better health and better care at lower costs.**

## SHCIP

Washington State was one of three states awarded a nearly **\$1 million model pre-testing grant** to fund collaborative development of a five-year plan for health innovation. Other states have received “model design” grants, and are engaged in similar work. The effort is called: **State Health Care Innovation Planning**

## A Focus on Improving Payment Methods & Service Delivery

### **CMMI** *Federal*

Test innovative payment and service delivery models with the potential to lower costs for federally-funded Medicare, Medicaid and Children's Health Insurance Program (CHIP), while:

- Maintaining or improving quality of care
- Raising community health status
- Reducing long term health risks for federal beneficiaries

### **Washington State**

**All of the above**, for the rest of Washington State's population.

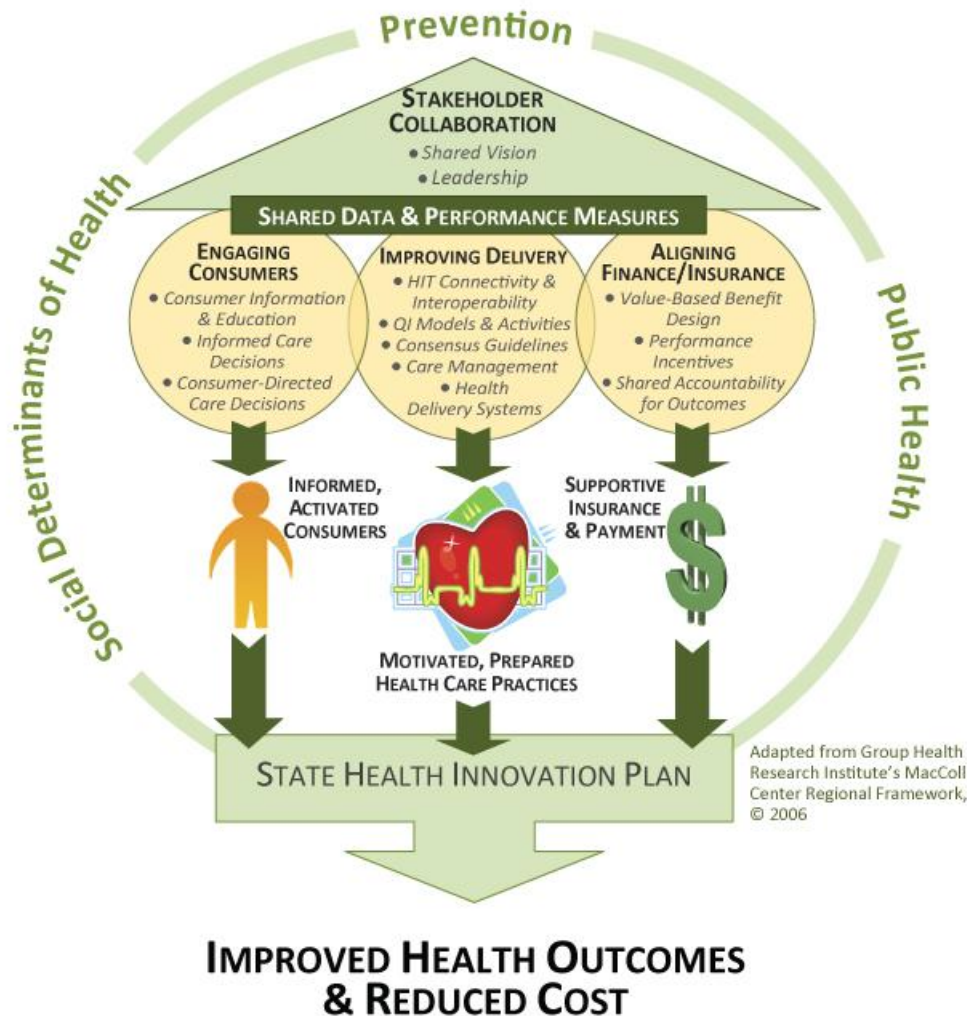
- Refresh our approaches for health and health care improvement through evidence-driven approaches, innovation, collaboration and full use of the "levers" at our disposal.

# Major Deliverable to CMMI

## Health Care Innovation Plan

- **Multi-payer** delivery system and payment redesign model at its core
- **Other elements and levers** that support the model, and overall health improvement
- **Draft due** September 30, 2013

# Innovation Plan Conceptual Framework



## The Innovation Planning process will:

- Include goals, strategies and tactics that are focused and aligned.
- Create a five-year plan that will spread innovation over time to serve the majority of Washingtonians
- Ensure we can measure and evaluate progress.
- Consider cross-cutting systems, capabilities and interventions that support multiple populations and communities.

## The Innovation Plan will: →

- Focus on strategies that have demonstrated ability to produce improved health outcomes with lower cost, or are very promising.
- Focus on strategies that can be sustained after any potential future testing grant funding has ended.
- Aim first where there are indications of system and community readiness (*e.g., the desire and capability to change and sustainability plans in place*).
- Support a culture of innovation, learning and community collaboration among and across governmental and private organizational settings.

## Key Considerations for Transformation

### **“As-Is” environment – where we are now**

- Our team is gathering information for various “streams”
- Findings and observations will be summarized on our website

### **“To be” environment – the potential future**

- Process started for identifying:
  - Key focus areas and strategies for transformation
  - The “levers” to move transformation forward  
(*activities, tools, policies, legislative adjustments*)
  - Performance measures needed to assess the value of the reforms

## What this is... →

**An opportunity**, with technical support related to federal health programs, to refresh and align key strategies to improve health and healthcare delivery specifically for Washington residents and Washington's communities.

**A strategic plan positioning Washington to compete for future** anticipated grant funding  
*(e.g., \$20-\$60 million to support implementation of our multi-payer delivery system and payment reform model)*

It is NOT an application for major testing grant funding.



# SHCIP's Multiple Streams of Inquiry



The following focused efforts inform and feed into a cohesive **State Health Care Innovation Plan**

## SHCIP's Multiple Streams of Inquiry

- Multi-payer approaches to payment and delivery system reform
- Regional health collaboratives and approaches
- Overuse, underuse and misuse
- Physical-behavioral health integration
- Improving population health with a focus on prevention and social determinants



# Multi-Payer Approaches



SHCIP Project Director Karen Merrikin

- What can be done across multiple payers, providers, and purchasers to significantly accelerate transformation?

## Puget Sound Health Alliance




By design, the focus of this particular engagement is on healthcare delivery in hospital and provider offices, and:

- payment to providers, delivery of care,
- benefit design and patient engagement,
- information available to inform healthcare delivery and selection of healthcare services and providers.

Stakeholder process is eliciting input from approximately 50 ‘thought leaders’ in health care and business from across the state.

## Alliance scope of work:

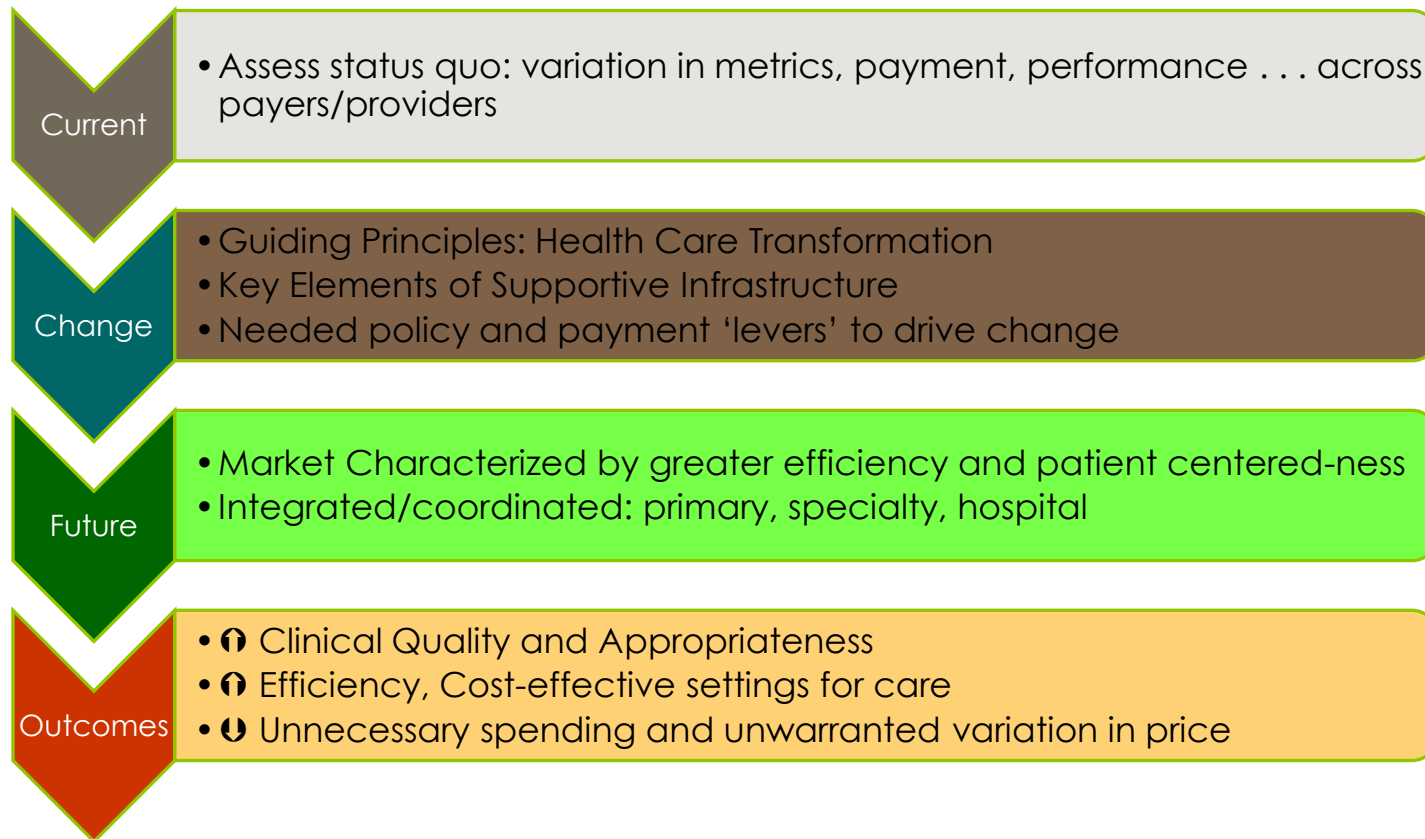
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- **“As Is” environment review:** Identify
    - key driving factors of increasing healthcare costs,
    - opportunities for improving value, barriers, and
    - current use of levers\* to drive healthcare delivery system transformation.
  - **“To Be” environment:** Identify
    - key principles for healthcare delivery system transformation;
    - high priority levers to accelerate transformation, and
    - highest priority performance measures that encapsulate the key elements of healthcare value.

*The resulting insights and recommendations will inform the innovation plan*

\*“lever” – activities, tools, policies or laws that can significantly accelerate delivery system transformation

# Puget Sound Health Alliance

## CONVENE STAKEHOLDERS, EXPLORE SOLUTIONS



# Regional Health Collaboratives & Approaches



Jonathan Seib, Senior Vice President,  
Healthcare, Strategies 360

# Regional Health Collaboratives & Approaches

## Charge

*Determine the role and promise of Washington's community-based initiatives and organizations to accelerate transformation of the health care delivery system in the state and increase consumer engagement in achieving better health outcomes*

- Broad definition of “community-based initiatives and organizations”
- Less about what's done under state plan, and more about how it's done
- Interest and capacity of communities to partner with the state, and what that would look like
- Not a one-way street: what the state needs from communities and what communities need from the state
- A dynamic, iterative process



## Step One

*Inventory and describe Washington's community-based health improvement initiatives and organizations*

- Benton-Franklin Community Health Alliance (Benton and Franklin)
- Central Western Washington Regional Health Improvement Collaborative (Grays Harbor, Lewis, Mason, Pacific and Thurston)
- Choice Regional Health Network (Grays Harbor, Lewis, Mason, Pacific and Thurston)
- Community Choice Healthcare Network (Okanogan, Chelan, Douglas, Grant and Adams)
- Eastern Washington Regional Health Improvement Collaborative (Adams, Ferry, Grant, Lincoln, Pend Oreille, Spokane, Stevens and Whitman)
- King County Health and Human Services Transformation Plan (King)
- Signal Health Yakima (Yakima)
- Skagit County Alliance for Health Care Access (Skagit)
- Snohomish County Health Leadership Coalition (Snohomish)
- Southwest Washington Regional Health Alliance (Clark, Cowlitz, Skamania and Wahkiakum, to include Cowlitz Tribe)
- Whatcom Alliance for Health Advancement (Whatcom)

# Regional Health Collaboratives & Approaches

## Significant findings and thoughts

- Much of the state covered; high degree of commitment, knowledge and enthusiasm
- Participation by many individuals and key sectors
- Common mission and values: collaboration to achieve The Triple Aim
- Demonstrated successes and sustainability
- Diverse structures, characteristics and priorities
- Stage of development varies greatly

# Regional Health Collaboratives & Approaches

## Next steps:

Dig deep, including stakeholder engagement, to further define opportunities and challenges; identify a preferred future and concrete actions to get there; merge with other components of SHCIP

# Overuse, Underuse, and Misuse

Rachel Quinn,  
Program Manager, Bree  
Collaborative



# Overuse, Underuse, and Misuse of Health Care

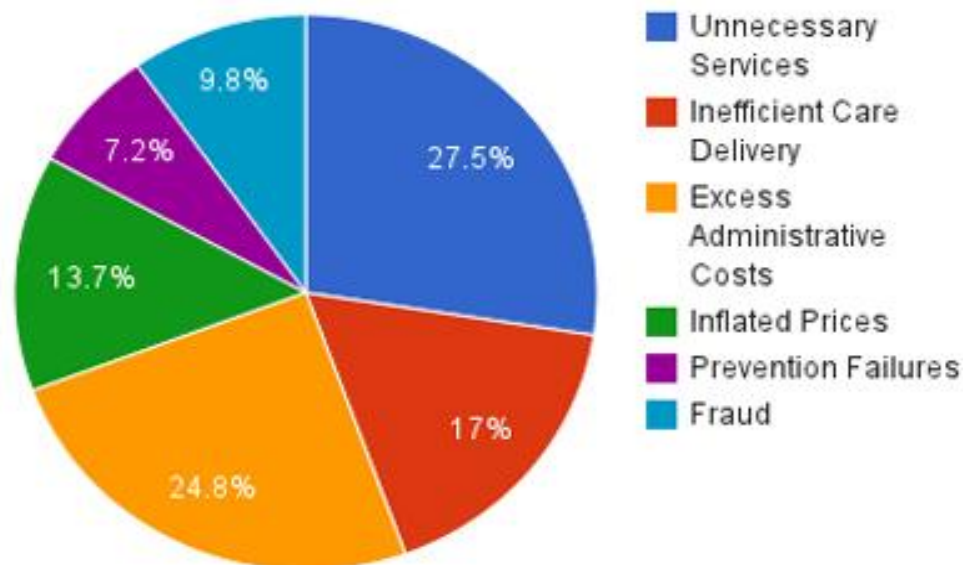
Rachel Quinn, Program  
Manager

Dr. Robert Bree Collaborative

June 27, 2013

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# Waste in Health Care System



Source: Institute of Medicine, 2012



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HEALTH CARE QUALITY  
[www.qualityhealth.org](http://www.qualityhealth.org)

**Robert Bree**  
**Collaborative**  
[www.hta.hca.wa.gov/bree](http://www.hta.hca.wa.gov/bree)

# Dr. Robert Bree Collaborative

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- A statewide, multi-stakeholder collaborative created by Washington State Legislature in 2011
- 24 health care stakeholders working together to recommend best practices & community standards based on data and evidence
- Employers, health plans, providers...Boeing, Costco, Providence, INHS, Harborview, Yakima Memorial, Regence, Group Health, Premera, WA Medicaid, L&I, and more...



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# The Bree's Work



## Select Topics

- Up to 3 topics annually
- Significant safety, efficacy, or cost-effectiveness concerns
- Substantial variation in practice patterns
- High utilization trends without producing better care outcomes

## Develop Community Standards

- Based on Evidence
- Identify best practices including evidence-based guidelines, increased data collection, patient decision aids, transparency, alternative payment models, and others

## Report & Implement

- Strategies delivered to HCA
- State applies recommendations to Medicaid, Labor & Industries, and other state-purchased programs; private market will follow
- Bree assists with implementation of recommendations



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# Bree's Stream of Work

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Advise on SIM Goal:  
*Speed identification and adoption of effective strategies aimed at reducing overuse, misuse, and underuse of health care.*

#1

Identify topics/subjects with the greatest opportunities for transformative change in overuse, underuse, and misuse of health care

#2

Identify levers health care stakeholders need to activate or implement Bree recommendations

Summarize work in final report by mid August 2013



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# Physical-Behavioral Health Integration



Deborah Bachrach, Partner, Manatt, Phelps  
& Phillips, LLP

# Coverage and Delivery of Physical and Behavioral Health Services for Medicaid Beneficiaries in Washington State

**Deborah Bachrach**

**Jonah Frohlich**

**Manatt, Phelps & Phillips, LLP**

**June 27, 2013**

**manatt**

# Manatt Scope of Work

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To inform development of Washington's Health Care Innovation Plan, Manatt is undertaking the following:

- **“As-is” environment review:** Conduct a landscape review of Washington's current delivery of physical and behavioral health services federal and state laws and regulations, to identify current administrative structures, delivery models and payment policies that support existing physical and behavioral health systems. Analyze the degree to which Washington's current physical and behavioral health services are fragmented or integrated.
  
- **“To be” assessment:** Identify models and opportunities (and barriers) to integrate service delivery, improve the use of team-based care and non-MD practitioners, and rationalize payment policies, most especially in light of the Medicaid expansion. This “to be” landscape will present a series of options that seek to:
  - *Enable physical and behavioral health clinicians to work together with patients and families, using a systematic and cost-effective approach to provide patient-centered care for a defined population.*
  - *Align funding, credentialing, licensing, data collection/reporting, planning, and other functions across the physical health, mental health, and chemical dependency systems to remove barriers to coordinated/integrated care.*

**\*Definition adapted from:** Peek, C.J., & The National Integration Academy Council. (2013, April). *Lexicon for Behavioral Health and Primary Care Integration*. Washington, DC: AHRQ.

# Service Delivery System for Medicaid Beneficiaries with Behavioral Health Needs

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## Patients

*Physical Health, Mental Health, and Chemical Dependency Needs*

## Providers

Physical Health  
Providers

Mental Health  
Providers

Chemical Dependency  
Providers

## Systems of Care

Physical Health  
System

Mental Health System

Chemical Dependency  
System

## Administration

Physical Health  
Administration

Mental Health  
Administration

Chemical Dependency  
Administration

In what ways does the current infrastructure enable or impede coordination/integration of care delivery *by* providers and *for* patients?

We use the term “**coordination**” to refer to working relationships, information exchange, and shared planning and decision-making among separate entities and individuals.

We use the term “**integration**” to refer to coordination among entities and individuals under shared governance or administrative structures, or in shared physical space.

# **The Administration and Oversight of Medicaid Benefits**

## ***2 State Agencies; 39 Counties; 29 Tribes***

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- **Health Care Authority (HCA)/State Medicaid Agency**
  - Physical Health
  - Some mental health
- **Department of Social and Health Services (DSHS)/Division of Behavioral Health and Recovery (DBHR)**
  - Mental health for SMI population (through Regional Support Networks)
  - Chemical dependency
- **Counties (under contract with DSHS/DBHR)**
  - Regional Support Networks (as single counties or county partnerships)
  - Chemical dependency services
- **Tribes (under contract with DSHS)**
  - Mental health
  - Chemical dependency

# Three Systems of Care, Multiple Levels of Government, One Patient

## Mental

### Health for Seriously Mentally Ill (SMI)

Administered by DSHS/DBHR and  
Counties

DSHS administers services for SMI enrollees who meet Regional Support Network (RSN) Access to Care Standards

- DSHS contracts with county-based RSNs for mental health services
- State hospitals provide intensive psychiatric inpatient treatment

**Provider**

### Physical Health and Mental Health for Non-SMI

Administered by HCA

HCA administers physical health services, including prescription drug coverage, for all Medicaid enrollees in all systems of care

- HCA contracts with Healthy Options (HO) plans for Medicaid managed care enrollees
- HCA contracts directly with providers for fee-for-service (FFS) enrollees

HCA administers mental health benefits for enrollees who do not meet RSN Access to Care Standards

- HCA contracts with HO plans for MMC enrollees
- HCA contracts directly with mental health providers for FFS enrollees

**Provider**

### Chemical Dependency

Administered by DSHS/DBHR  
and Counties

DSHS administers chemical dependency services for all Medicaid enrollees

- DSHS contracts with counties and tribes to provide outpatient services, including opiate substitution treatment
- DSHS contracts directly with residential treatment agencies to provide residential services

**Provider**

**P A T I E N T**

# Preliminary Findings

## Stakeholders Interviewed

- Regional Support Networks
  - Single-County
  - Multi-County
  - Private
- County Chemical Dependency and Social Services Departments
- Healthy Options Plans
- Community Mental Health Agencies
- HCA and DSHS Representatives
- Legislative Staff
- Researchers

## Findings

1

Physical health, mental health and chemical dependency systems operate in separate silos, with limited coordination/integration

2

In some counties, there is considerable coordination of mental health and chemical dependency services, social services, and the criminal justice system; coordination with physical health, however, rarely occurs

3

Care coordination requirements in contracts do not result in care coordination on the ground

4

Separate legal, regulatory and reporting requirements impede coordination/integration

5

The Medicaid expansion will strain provider capacity and exacerbate lack of coordination/integration across systems and provider types

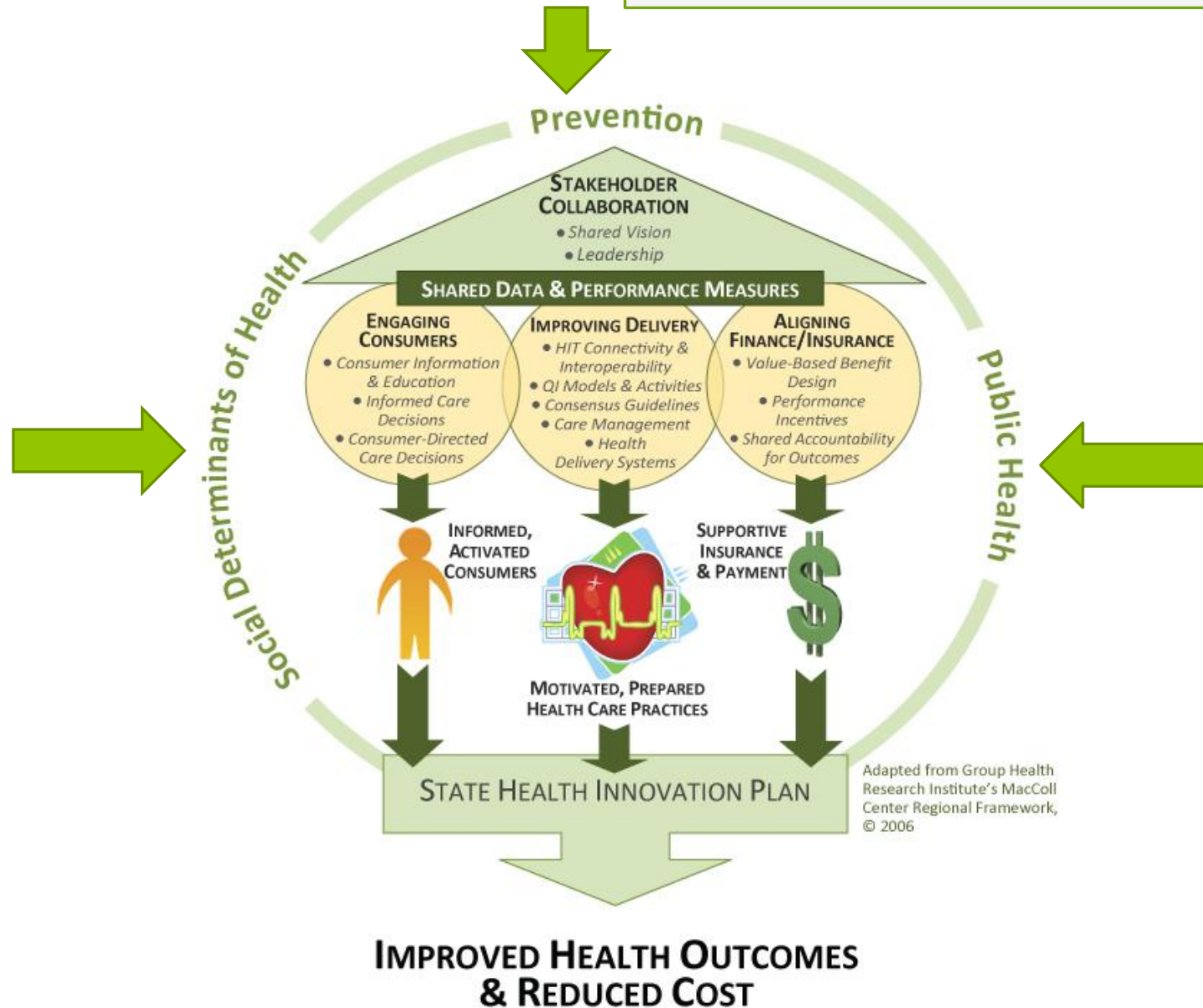
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Interviewees generally agree that current system structures impede coordination/integration; however, there is wide disagreement on the solution



# Improving Population Health / Social Determinants

Kristin Peterson,  
Washington State Department of  
Health



# Questions

- Please use your on-screen chat box to submit questions.

# Our Collective Opportunity



## **Bob Crittenden**

Governor Jay Inslee's Senior  
Health Policy Advisor

- Family Physician at Professor at UW practicing for 38 years with underserved populations in central Seattle
- Executive Director of the Herndon Alliance for the past eight years – a coalition of 300 organizations supporting the passage / implementation of the ACA

# Our Collective Opportunity

Providers, consumers, health plans, employers, state agencies, and other health care partners must work together to significantly accelerate transformation.

**The goal** is to create a plan that helps our State's health industry...



**ROW  
TOGETHER**  
for a healthier  
Washington

# Contribute to Innovation Planning



**Sign up** to be part of the SHCIP Feedback Network: Email your interest to [simquestions@hca.wa.gov](mailto:simquestions@hca.wa.gov)

**Stay informed** via the SHCIP website:  
<http://www.hca.wa.gov/shcip/Pages/default.aspx>

**Share your thoughts** by emailing the SHCIP Helpdesk:  
[simquestions@hca.wa.gov](mailto:simquestions@hca.wa.gov)

# Questions

- Please use your on-screen chat box to submit questions.

## Next Steps →

Watch for updates and requests for feedback via the SHCIP Feedback Network and Innovation Planning Website

Future webinars:

- 11 a.m.-12:30 p.m. August 8
- 11 a.m.-12:30 p.m. August 22
- 11 a.m.-12:30 p.m. October 15

SHCIP Helpdesk: [simquestions@hca.wa.gov](mailto:simquestions@hca.wa.gov)



# Thank You

Contact [simquestions@hca.wa.gov](mailto:simquestions@hca.wa.gov) with questions and to join the Feedback Network

Visit the Innovation Planning website at <http://www.hca.wa.gov/shcip/Pages/default.aspx>